

## **Department of Energy**

Western Area Power Administration
Upper Great Plains Customer Service Region
P.O. Box 35800
Billings, MT 59107-5800

JUN 2 2 2018

## Dear Firm Power Customer:

As part of the current rate schedules, placed into effect January 1, 2018, under Rate Order No. WAPA-180, Western Area Power Administration (WAPA) stated it will conduct both a preliminary review of the Pick-Sloan Missouri Basin Program--Eastern Division (P-SMBP--ED) Firm Power Rate Drought Adder component in early summer and provide customers advance notice of any foreseen changes to the Drought Adder, and a final review and notification in the fall of any change to the Drought Adder component of the rate schedule.

WAPA is using this letter to notify customers that the preliminary review resulted in <u>no</u> <u>estimated change</u> to the Drought Adder component of the P-SMBP--ED Firm Power Rate in January 2019. WAPA will continue to monitor area water conditions through this fall and will send a final notification to customers of any changes to the Drought Adder for January 2019. Please note, a change to the Drought Adder is not likely, however, we are required to evaluate the water and generation conditions two times each year and inform our customers of any planned change to the Drought Adder component.

Information concerning the current firm power rates can be found online at http://www.wapa.gov/ugp/rates/default.htm. If you have any questions concerning this notice, please telephone Linda Cady-Hoffman, Upper Great Plains Rates Manager at (406) 255-2920 or cady@wapa.gov.

Sincerely,

Lori Frisk-Thompson

Vice President of Power Marketing

Upper Great Plains Region